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Syria COUNTRY

SUBJECT

ORIGIN

Syrian Patroleum Company

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INFO.

DIST. 21 February 1947

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SUPPLEMENT

Areas of Operations

1. Syrian Petroleum Company (S.P.C.) has two areas of present operations in Syriat (1) North and northwest of Aleppo, bordering on the Turkish frontier; (2) In the desert, some 50 miles due north of Palmyra. Central offices are in Aleppo.

Area North of Aleppo

2. Two locations have been decided upon for immediate operations: (1) Parsa Dagh, a large hill near Qastal, due north of A'zaz; (2) Baflyun, a smaller hill near Qatma, northwest of A'zaz. Both locations will be worked from a central camp site, Minnakh, immediately south of A'zaz. Minnakh contains a station of the Aleppo-Adama railroad, as well as an abandoned R.A.F. landing field and camp buildings. Drilling is expected to begin at Baflyun, although it is the smaller location, in February 1947.

Area North of Palmyra

3. The location is a large hill, situated in a broad depression called in Arabic, Dhillah. From this S.P.C. derives its own location name of Dola. Operations have been retarded there, for lack of sufficient water for the camp and drills. Abundant water has recently been found 18-20 miles due north of the location, and drilling is expected to begin in June or July 1947.

Operational Difficulties.

4. Plans of the S.P.C. to drill in Northeast Syria, near Sabkha on the Euphrates and near Ra's al-Ain in Jazirah, have been abandoned for the present. Operations are confined to locations near towns and rail facilities, because of shortages of equipment for building maintainance and for supplying large camps far from centers, deriving from exchange controls and the currency situation of the company. All available dollars are allocated to the purchase of drilling and well equipment in the United States. All other equipment must be purchased with sterling in Great Britain, which cannot at present supply in sufficient quantity.

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Financial Arrangement with the Syrian Government

5. Under its contract of concession, S.P.C. will pay to Syria 100,000 sterling pounds in gold annually, from the day on which oil is found until export begins. Thenceforward the company will pay Syria in gold at the rate of h shillings per ton exported,

Personnel

6. Chief of drilling operations in Syria is <u>William Rinehart</u>, who is at present in the United States on Leave. Rinehart is an American citizen, born in Texas about 1880-1885, with long drilling experience in the United States, Vexico, Venezuela and the Far East. We has been in the service of I.P.C. (Iraq Petroleum Company) and S.P.C. for the last fifteen years. We is being replaced during his absence by Philip Ansor, a British subject, some 35-40 years of age, who has had long service as an administrative employee of S.P.C.

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